

Weekly Economic Indicators

16 October 2015



Statistics Department

Real Sector

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), which is compiled by the Department of Census and Statistics, declined to -0.3 per cent in September 2015, compared to -0.2 per cent recorded in the previous month, on a year-on-year basis. Annual average inflation declined to 0.7 per cent in September 2015 from 1.0 per cent in August 2015. CCPI decreased by 0.3 per cent from August to September 2015.

The GDP grew by 6.7 per cent in real terms during the second quarter of 2015, mainly attributable to 7.9 per cent growth in Services activities, supported by the growth in Industry activities by 2.0 per cent and Agriculture activities by 5.0 per cent in value added terms.

Tea production during the first seven months of 2015 declined by 2.1 per cent from 202.6 million kg to 198.4 million kg. Meanwhile, coconut production during the first Seven months of 2015 increased by 5.9 per cent. However, production of rubber during the first seven months of 2015 declined considerably by 15.9 per cent.

The FIPI increased by 6.7 per cent on a year-on-year basis in June 2015. This growth was mainly facilitated by increased production of beverages, tobacco, chemicals & chemical products and other non-metallic mineral products sectors. They have recorded a significant growth of 13.1, 17.6, 11.7 and 21.4 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

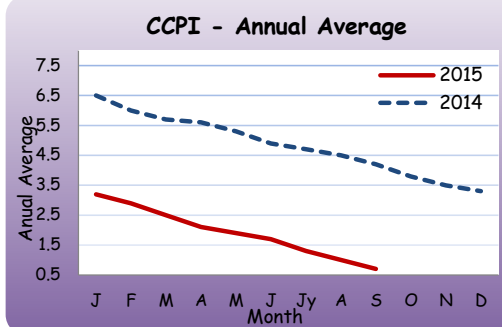
During the week crude oil spot prices followed a declining trend due to persistent supply glut and prospects of slowing demand. OPEC group pumped 31.57 million barrels per day (bpd) in September, almost 2 million bpd more than its demand prediction for this year. Further, OPEC trimmed its estimate of 2016 world oil demand growth by 40,000 bpd to 1.25 million bpd, citing slower growth in China. Meanwhile, International Energy Agency (IEA) reported that global oil supply glut will persist through 2016 as demand growth slows from a five-year high in 2015 and key OPEC members maintain near-record output, even as low prices curb supply outside the producer group. Further, the American Petroleum Institute reported U.S. crude inventories rose by 9.4 million barrels last week, compared to expectations for an increase of 2.8 million barrels, while Energy Information Administration data later reported a jump of 7.6 million barrels. Further, industry data showed that world's big oil producers pumped more than half a billion barrels more crude than needed in the first nine months of this year.

Highlights

REAL SECTOR

1.1 Price Indices

Item	September 2015	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	181.4	181.9	181.9
Annual Average Change %	0.7	1.0	4.2
Year - on - Year Change %	-0.3	-0.2	3.5
Core Inflation - (CCPI)	180.2	180.0	172.9
Annual Average Change %	2.8	2.8	3.2
Year - on - Year Change %	4.2	3.9	3.7

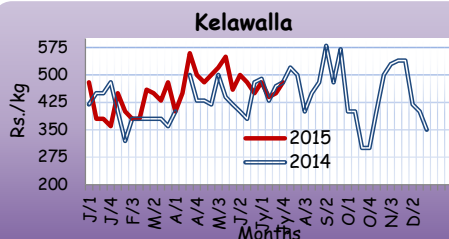
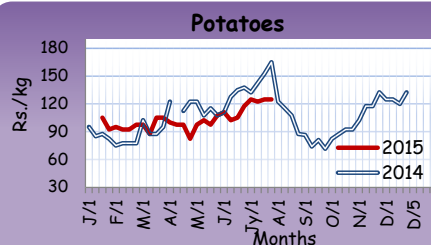
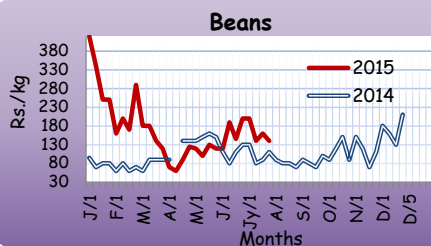
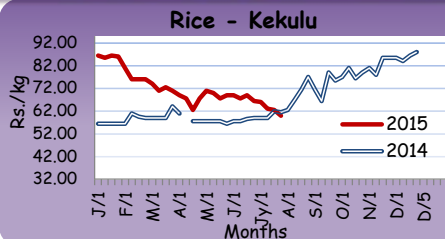


1.2 Pettah Market

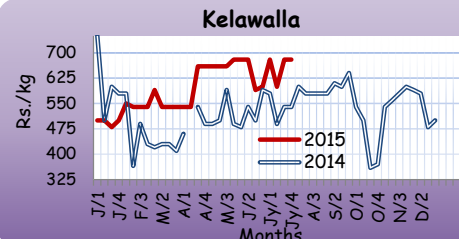
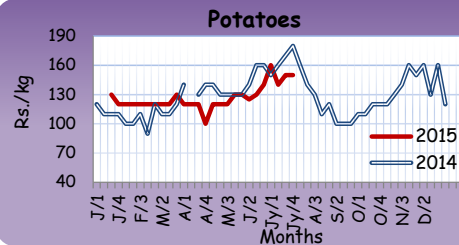
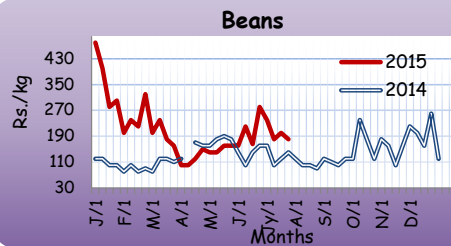
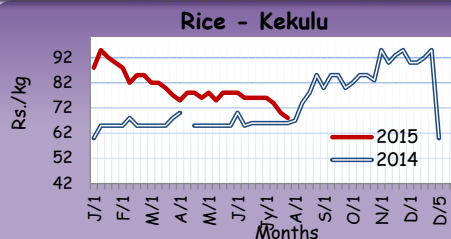
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 15 th Oct 2015	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 15 th Oct 2015	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	83.00	82.50	82.00	78.30	88.00	88.00	88.00	84.04
Kekulu (Red)	58.00	60.00	59.25	67.44	68.00	70.00	69.00	74.33
Vegetables								
Beans	170.00	100.00	107.50	113.17	200.00	140.00	142.50	140.96
Cabbage	50.00	40.00	45.00	61.65	80.00	60.00	77.50	90.96
Carrots	80.00	50.00	67.50	109.81	120.00	80.00	102.50	138.08
Tomatoes	90.00	60.00	42.50	90.77	120.00	100.00	75.00	122.31
Pumpkins	45.00	35.00	36.25	37.38	70.00	60.00	60.00	56.83
Snake Gourd	80.00	80.00	52.50	69.90	110.00	120.00	80.00	96.73
Brinjals	60.00	50.00	56.25	71.35	90.00	80.00	90.00	98.65
Ash-Plantains	70.00	60.00	65.00	73.65	90.00	80.00	90.00	95.96
Other Foods								
Red-Onions (Local)	120.00	110.00	76.88	79.55	140.00	140.00	106.25	109.59
Big-Onions (Local)	90.00	77.50	78.75	75.42	140.00	120.00	107.50	99.07
Potatoes (N'Eliya)	102.50	97.50	100.00	104.64	120.00	120.00	122.50	127.69
Dried Chilies (Imported)	290.00	290.00	266.25	193.24	340.00	350.00	315.00	230.38
Dhal (Indian)	160.00	160.00	166.75	140.94	180.00	180.00	183.75	159.23
Eggs (Red)	14.50	14.50	14.00	12.04	15.00	15.00	14.75	12.57
Coconut (Each)	37.00	37.00	36.88	38.63	50.00	50.00	50.00	50.10
Fish*								
Kelawalla	350.00	440.00	447.50	433.85	500.00	600.00	590.00	532.40
Balaya	240.00	240.00	275.00	295.00	300.00	300.00	335.00	349.04
Salaya	100.00	120.00	127.50	112.31	140.00	160.00	167.50	151.35
Paraw (Small)	250.00	480.00	537.50	435.58	300.00	530.00	582.50	487.88

* Prices collected from the Fisheries Trade Centre, Peliyagoda.

Pettah Market - Wholesale Prices



Pettah Market - Retail Prices



1.3 Dambulla Market

Item (Rs / Kg)	Week Ending 15 th Oct 2015	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	83.50	86.50
Kekulu (Red)	60.00	64.00
Vegetables		
Beans	122.00	169.00
Carrot	63.50	98.00
Tomatoes	58.50	81.00
Pumpkins	30.50	45.00
Snake Gourd	42.00	65.00
Ash-Plantains	49.50	74.00
Other Foods		
Red-Onions (Local)	111.00	129.50
Big-Onions (Local)	99.50	119.00
Potatoes (N'Eliya)	100.00	122.00
Dried Chilies(Imported)	281.80	320.00
Coconut (Each)	36.40	45.00

1.5 Maradaghamula Market

Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 16 th Oct	Week Ago	Month Ago	Year Ago
Samba	80.70	78.20	79.16	75.74
Sudu Kekulu	59.90	56.90	57.65	69.11
Raw Red	59.62	58.10	57.64	67.25
Nadu	62.20	58.90	58.97	70.82

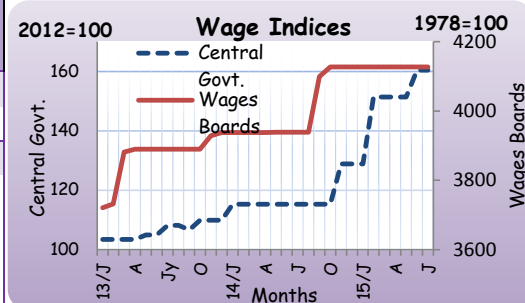
1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	15 th Oct 2015	Week Ago
Rice		
Samba	85.00	85.00
Kekulu (Red)	68.67	65.00
Vegetables		
Beans	200.00	160.00
Cabbage	100.00	80.00
Carrots	120.00	120.00
Tomatoes	120.00	120.00
Pumpkins	80.00	80.00
Snake Gourd	120.00	140.00
Brinjals	80.00	90.00
Ash-Plantains	120.00	140.00
Other Foods		
Red-Onions (Imported)	n.a.	n.a.
Big-Onions (Imported)	n.a.	n.a.
Potatoes (Imported)	90.00	90.00
Dried Chilies (Imported)	310.00	310.00
Dhal (Indian)	180.00	186.67
Eggs (Red)(Each)	15.00	15.00
Coconut (Each)	60.00	55.00
Fish		
Kelawalla	680.00	756.67
Balaya	n.a.	n.a.
Salaya	150.00	156.67
Paraw (Small)	760.00	860.00

1.6 Wage rate Indices

Item	2015(a) Aug	2014 Aug	% Change
(2012 = 100)			
Central Government Employees	160.4	115.3	39.1
(1978 = 100)			
Workers in Wages Boards Trades	4,127.1	4,099.2	0.7
Agriculture	4,734.5	4,692.3	0.9
Industry & Commerce	3,459.1	3,459.1	0.0
Services	2,313.2	2,313.2	0.0

(a) Provisional

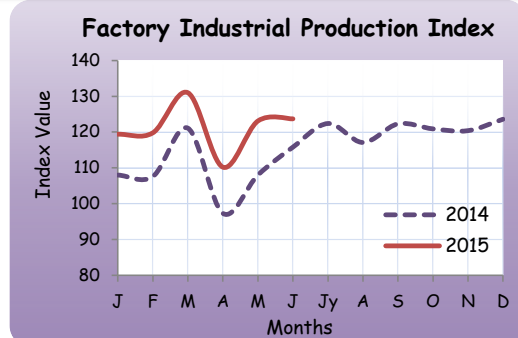


1.7 Factory Industry-Production (FIPI) (2010 = 100) (a)

Item	2015 (b) June	2014 June	% Change
Factory Industry- Production Index	123.7	115.8	6.7
Food products	103.0	102.3	0.7
Beverages	119.6	105.7	13.1
Tobacco products	101.8	86.6	17.6
Wearing apparel	166.6	161.2	3.3
Chemicals and chemical products	95.2	85.3	11.7
Rubber and plastic products	141.2	135.1	4.5
Other non-metallic mineral products	117.4	96.7	21.4

(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

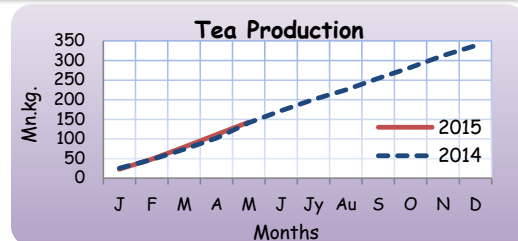
(b) Provisional



1.8 Agriculture Production

Item	Unit	2015(a) Jan - Jul	2014 Jan - Jul	% Change
Tea	(Mn Kg)	198.4	202.6	-2.1
Rubber	(Mn Kg)	57.0	67.8	-15.9
Coconuts	(Mn Nuts)	1,765.1	1,667.2	5.9

(a) Provisional



1.9 GDP by Industrial Origin at Constant (2010) Prices - Growth Rates in value added terms

Item	2015(a) 2 nd Quarter	2014(a) 2 nd Quarter	2014(a) Annual
Agriculture	5.0	-0.9	-2.2
Industry	2.0	-5.9	1.2
Services	7.9	5.5	6.5
GDP	6.7	1.9	4.5

(a)Provisional

Source: Department of Census and Statistics



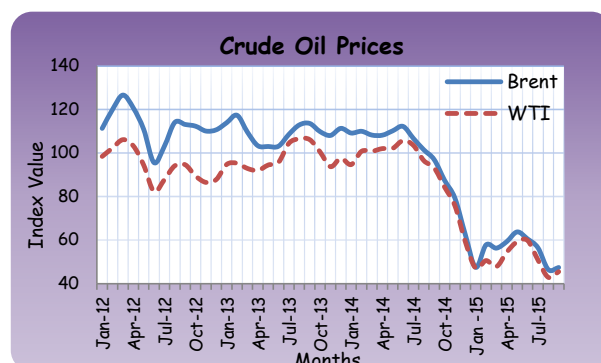
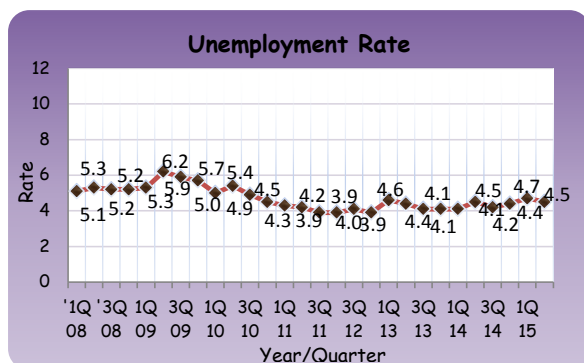
1.10 Employment (a)

Item	2015 (b) 2 nd Quarter	2014 2 nd Quarter	2014 Annual
Labour Force Participation rate	54.3	53.6	53.3
Unemployment rate	4.5	4.5	4.3
Employed Persons by Sectors (c) (as a % of total employment)			
Agriculture	28.4	28.2	28.5
Industry	25.7	26.0	26.5
Services	45.9	45.8	45.0

(a) The working age population aged 15 and above (b) Provisional

Source: Department of Census and Statistics

(c) Based on the International Standard Industrial Classification (ISIC) - Revision 4



1.11 Average Crude Oil Prices

Month	2014			2015		
	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)
	Brent (Benchmark price)	WTI (Benchmark price)		Brent (Benchmark price)	WTI (Benchmark price)	
January	109.21	94.71	113.84	47.46	47.11	55.47
February	110.01	100.82	110.62	57.81	50.58	69.52
March	108.28	100.82	111.17	56.30	47.82	-
April	108.22	102.07	110.25	59.32	54.45	-
May	110.22	102.18	109.80	63.76	59.26	63.09
June	112.27	105.79	113.42	60.53	59.82	66.21
July	106.73	103.54	110.30	56.48	50.90	60.49
August	101.51	96.54	111.21	46.43	42.87	54.92
September	97.02	93.19	100.08	47.41	45.48	
October	87.51	84.40	99.39			
November	79.28	75.79	76.82			
December	62.55	59.29	75.98			
2014				2015		
09 October	90.42	85.76		52.23	49.67	
12 October	-	-		51.10	47.09	
13 October	87.77	85.73		48.84	46.70	
14 October	86.41	81.72		48.15	46.63	
15 October	84.07	81.82		47.77	46.38	

Sources: Reuters

Energy Information Administration

Ceylon Petroleum Corporation

(*) CPC import prices are not directly comparable with spot prices of WTI and Brent as CPC import prices include freight charges and the price is weighted for average prices of different types of crude oil. Also Part of the imports of CPC are on a term contract basis.

Monetary Sector

Weekly Average Weighted Prime Lending Rate (AWPR) for the week ending 16 October 2015 increased marginally by 2 basis points to 7.17 compared to the previous week.

Broad money (M2b) expanded by 16.2 per cent on a year-on-year basis in July 2015.

Net Foreign Assets (NFA) of the banking system declined by Rs. 35.7 billion in July 2015. Net Credit to the Government (NCG) from the banking system showed an increase of Rs. 61.8 billion in July 2015. Credit extended to the private sector increased by Rs. 40.9 in July 2015.

The reserve money increased compared to the previous week mainly due to increase in deposits held by the commercial banks with the Central Bank.

The total outstanding market liquidity decreased to Rs. 60.66 bn by end of the week, compared to Rs. 62.78 bn by the end of last week.

By 16 October 2015, All Share Price Index (ASPI) declined by 1.06 per cent to 7,021 points while S&P SL 20 Index declined by 1.21 per cent to 3,774 points, compared to the previous week.

Highlights

MONETARY SECTOR

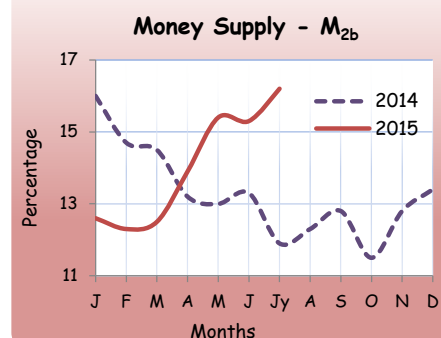
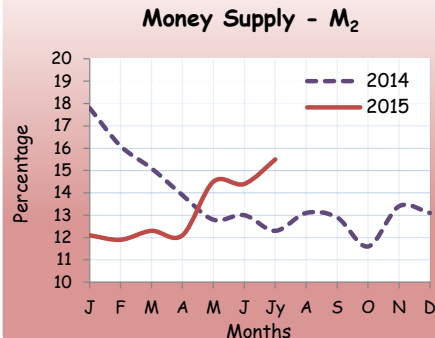
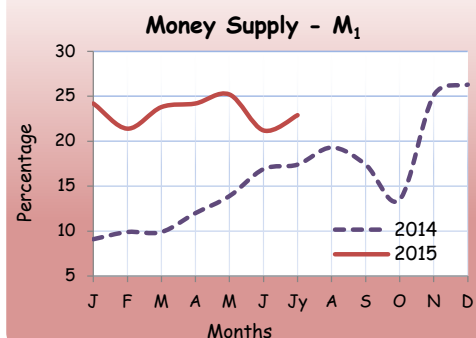
2.1 Interest Rates

Item		Week Ending 2015 Oct 16	Week Ago	Year Ago	
Commercial Bank Average Weighted Prime Lending Rate (AWPR)		7.17	7.15	6.38	
Treasury Bill Yield (Excluding 10% withholding tax)					
- 91 days		6.73	6.78	-	
- 182 days		7.04	7.07	-	
- 364 days		7.10	-	6.00	
Standing Deposit Facility		6.00	6.00	6.50	
Standing Lending Facility		7.50	7.50	8.00	
Call Money Weekly Average (CMR)		6.36	6.36	6.11	
Sri Lanka Inter Bank Offer Rate (SLIBOR)					
1 day		6.35	6.36	6.08	
7 days		6.50	6.56	6.33	
1 Month		6.86	6.87	6.45	
3 Months		7.11	7.11	6.60	
6 Months		7.35	7.36	6.79	
12 Months		7.65	7.66	7.06	
Commercial Banks		Sep 2015	Month Ago	Year Ago	
Saving Deposits -		0.50-8.50	0.50-8.50	0.75-9.50	
One Year Fixed Deposits -		3.50-15.00	3.50-15.00	4.15-12.00	
		Sep 2015	Month Ago	Year Ago	
Commercial Bank Average Weighted Deposit Rate (AWDR)		6.00	6.01	6.83	
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)		7.22	7.23	8.18	
		Aug 2015	Month Ago	Year Ago	
Commercial Bank Average Weighted Lending Rate (AWLR)		11.08	11.17	13.29	
NSB		Sep 2015	Month Ago	Year Ago	
Saving Deposits -		5.00	5.00	5.00	
One Year Fixed Deposits -		6.50	6.50	7.50	
Treasury Bonds Auction		(3 Y & 11 Months) 28/09/15	(5 Y & 10 Months) 28/09/15	(8 Y & 3 Months) 28/09/15	
				(12 Y & 11 Months) 28/09/15	
Coupon rate		10.60	11.00	11.50	
Weighted Average Yield (Excluding 10% withholding tax)		9.50	9.90	- 11.04	
Bankwise- AWPR	Week ending 2015 Oct 16	Week Ago	Bankwise- AWPR	Week ending 2015 Oct 16	Week Ago
Bank of Ceylon	7.55	7.57	HSBC	6.32	6.34
People's Bank	7.32	7.54	Standard Chartered Bank	7.27	7.08
Hatton National Bank	7.71	7.54	Citi Bank	7.24	7.45
Commercial Bank of Ceylon	7.24	7.12	Deutsche Bank	8.38	6.66
Sampath Bank	8.32	7.63	Habib Bank	5.82	5.82
Seylan Bank	7.27	7.78	Indian Bank	8.44	8.44
Union Bank of Colombo	7.18	7.76	Indian Overseas Bank	8.94	8.91
Pan Asia Banking Corporation	7.50	7.50	MCB Bank	7.29	7.81
Nations Trust Bank	6.77	6.88	State Bank of India	8.38	8.38
DFCC Bank	7.58	8.08	Public Bank	8.24	8.60
NDB Bank	8.25	7.25	ICICI Bank	7.87	8.47
Amana Bank	8.42	8.42	Axis Bank	-	-
Cargills Bank	7.52	8.28			

2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2015 (a) July	Month Ago	Year Ago	2015 (a) July	Month Ago	Year Ago
M1	642.1	629.4	522.2	22.9	21.2	17.4
M2	3,732.2	3,677.5	3,230.6	15.5	14.4	12.3
M2b	4,193.9	4,141.1	3,608.0	16.2	15.3	11.9
Net Foreign Assets of the Banking System (b)	-241.2	-205.5	202.0	-219.4	-225.6	202.1
Monetary Authorities	515.3	538.6	743.4	-30.7	-23.8	99.5
Domestic Banking Units (DBUs)	-261.7	-249.1	-214.8	-21.8	-17.1	-16.1
Foreign currency Banking Units (FCBUs)	-494.9	-495.0	-326.6	-51.5	-49.7	15.3
Net Domestic Assets of the Banking System (b)	4,435.1	4,346.6	3,406.1	30.2	26.8	-0.5
DBUs	3,777.2	3,686.8	2,945.2	28.2	24.2	1.0
FCBUs	657.9	659.8	460.8	42.8	42.9	-9.2
Net Credit to Government	1,735.6	1,673.8	1,402.2	23.8	21.5	7.5
Monetary Authorities	218.6	186.7	141.4	54.6	30.8	-28.1
DBUs	1,210.6	1,208.8	1,056.0	14.6	17.2	11.9
FCBUs	306.3	278.3	204.8	49.6	37.0	24.5
Credit to Corporations	475.8	482.6	326.9	45.6	38.2	-10.1
DBUs	218.4	202.4	162.8	34.2	33.5	25.7
FCBUs	257.3	280.3	164.1	56.8	41.8	-29.9
Credit to the Private Sector	3,004.1	2,963.2	2,481.9	21.0	19.4	0.8
DBUs	2,766.5	2,722.0	2,270.0	21.9	20.1	0.8
FCBUs	237.5	241.1	211.9	12.1	11.7	1.1
Reserve Money	630.3	608.0	524.5	20.2	19.8	15.0

(a) Provisional (b) In relation to M2b

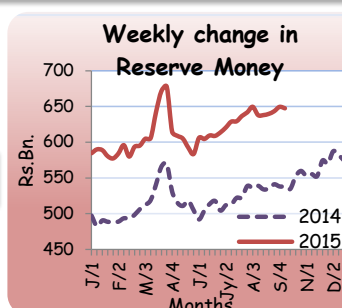


2.3 Weekly change in Reserve Money

Item	15 Oct 2015	Week Ago	Change
Reserve Money (Rs.Mn.)	647,724	647,254	469

2.4 Money Market Activity (Overnight)

Item	12.10.2015	13.10.2015	14.10.2015	15.10.2015	16.10.2015
Call Money Market					
Weighted Average Rate (% p.a.)	6.37	6.36	6.35	6.35	6.35
Gross Volume (Rs. Mn)	10,225	14,075	9,930	19,435	21,820
Repo Market					
Weighted Average Rate (% p.a.)	6.36	6.36	6.35	6.33	6.32
Gross Volume (Rs. Mn)	6,826	9,137	9,980	8,782	9,957



2.5 CBSL Security Portfolio

Item	12.10.2015	13.10.2015	14.10.2015	15.10.2015	16.10.2015
CBSL T-Bill Holding (Rs. Mn)	200,525	200,569	200,615	200,658	211,737

2.6 Open Market Operations

Item	12.10.2015	13.10.2015	14.10.2015	15.10.2015	16.10.2015
Short-Term Auction					
Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Tenure (No. of Days)	0	0	0	0	0
Bids Received (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Weighted Average Yield Rate (% p.a.)	0.00	0.00	0.00	0.00	0.00
Term Auction					
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Standing Facility					
Standing Deposit Facility (Rs. bn)	60.54	63.52	59.20	54.71	60.66
Standing Lending Facility (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Total Outstanding Market Liquidity (Rs. bn)	60.54	63.52	59.20	54.71	60.66

2.7 Credit Cards (a)

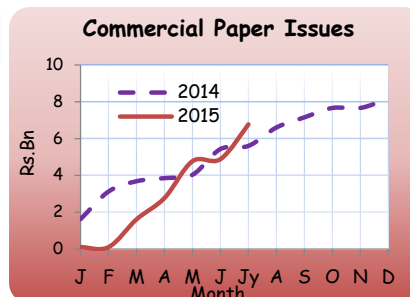
Item	2015 (b) End July	2015 End June	2014 End Dec
Total Number of Active Cards	1,046,030	1,083,977	1,032,833
Local (accepted only locally)	31,600	31,803	32,874
Global (accepted globally)	1,014,430	1,052,174	999,959
Outstanding balance (Rs. Mn.)	55,452	57,396	57,621
Local (accepted only locally)	1,177	1,212	1,234
Global (accepted globally)	54,275	56,184	56,387

(a) Issued by Licensed Commercial Banks (b) Provisional

2.8 Commercial Paper Issues (a)

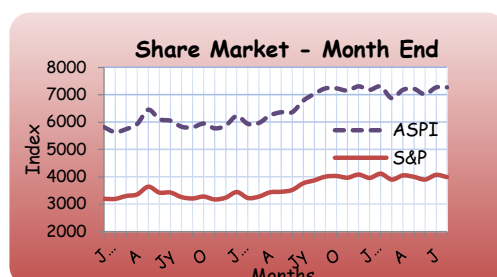
Item (Rs. bn.)	2015 End July(b)	2015 End June	2014 End Dec
Total Issues - Cumulative	6.8	4.9	8.2
Outstanding (as at end of the period)	7.6	6.0	3.5

(a) Based on the information provided by Licensed Commercial Banks and Licensed Specialised Banks (b) provisional



2.9 Share Market

Item	Week Ending 16 Oct 2015	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	7,021	7,096	7,257
S & P Sri Lanka 20 Index (S&P SL20)	3,774	3,820	4,056
Average Daily Turnover (Rs. Mn)	844	762	1,627
Market Capitalisation (Rs.Bn.)	2,978	3,010	3,086



Fiscal Sector

During the first half of 2015, government revenue as a percentage of estimated GDP increased marginally to 5.4 per cent from 5.2 per cent in the corresponding period in 2014. In nominal terms, total revenue increased by 12.9 per cent to Rs. 605.7 billion during the first half of the year from Rs. 536.4 billion recorded during the same period in 2014. The total revenue collection during this period was only 40.3 per cent of the annual estimate of Rs. 1,504.7 billion in comparison to 37.3 per cent in the corresponding period of 2014. Average monthly revenue during this period was around Rs. 100.9 billion compared to the estimate of Rs. 125.4 billion in the Interim Budget for 2015.

Total expenditure and net lending during the first half of 2015 declined to 8.9 per cent of estimated GDP from 9.0 per cent during the same period in 2014. The recurrent expenditure increased significantly to 6.8 per cent of estimated GDP from 6.1 per cent of GDP recorded in the same period in 2014. Capital expenditure and net lending as a percentage of GDP declined to 2.1 per cent during the first half of 2015 from 2.7 per cent in the corresponding period in 2014.

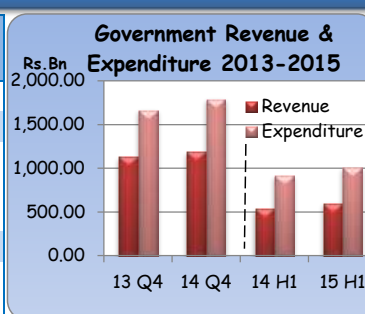
Total outstanding debt increased by Rs. 546.6 billion to Rs. 7,937.5 billion as at end June 2015 from Rs. 7,390.9 billion at end 2014. Foreign debt increased only by Rs. 68.6 billion to Rs. 3,181.8 billion and domestic debt increased by Rs. 477.9 billion to Rs. 4,755.7 billion.

Special Commodity Levy (SCL) was revised from time to time during the year, providing necessary protection for domestic agricultural producers while reducing volatility in commodity prices in the domestic market. Accordingly, SCL on several essential goods was revised during the months of June 2015. Accordingly, SCL on potatoes was reduced to Rs. 30 per kg from Rs. 50 per kg while SCL on B'Onions was reduced to Rs. 10 per kg from Rs. 30 per kg with effect from 6 June 2015. Meanwhile, SCL on Masoor dhal was reduced to Rs. 0.25 per kg from Rs. 5 per kg and SCL on crude oil for cooking purposes increased to Rs. 105 per kg from Rs. 90 per kg.

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

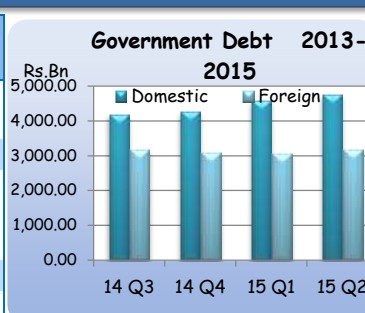
Item	2015 (a) First Half	2014 First Half
Revenue and Grants	605.8	543.6
Revenue	605.7	536.4
Tax	557.6	484.4
Non tax	48.1	52.0
Grants	0.2	7.2
Expenditure & Lending Minus Repayments	1,007.5	921.3
Current	769.3	643.1
Capital & Lending Minus Repayments	238.2	278.2



(a) Provisional

3.2 Outstanding Central Government Debt (Rs.bn)

Item	End June 2015 (a)	End 2014
Total domestic debt	4,755.7	4,277.8
of which		
Treasury bills	757.3	694.8
Treasury bonds	3,104.4	2,844.1
Rupee loans	28.2	55.5
Total foreign debt	3,181.8	3,113.1
Total outstanding govt. debt	7,937.5	7,390.9



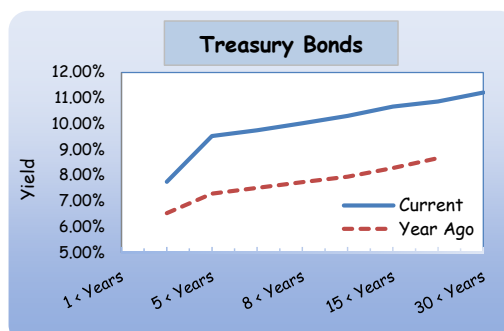
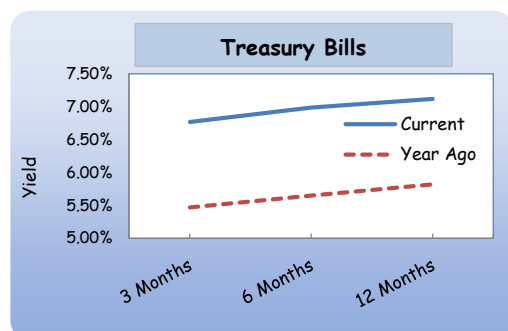
(a) Provisional

3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 14th October 2015

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	6.73%	6.78%	6.85%	6.69%	6.77%	6.80%
	6 Months	7.04%	7.07%	7.07%	6.91%	6.99%	7.03%
	12 Months	7.10%	7.18%	7.21%	7.04%	7.12%	7.16%
Treasury Bonds	2 < Years	-	-	7.84%	7.66%	7.75%	7.66%
	5 < Years	-	-	9.60%	9.46%	9.53%	9.57%
	6 < Years	-	-	9.81%	9.68%	9.75%	9.79%
	8 < Years	-	-	10.08%	9.96%	10.02%	10.10%
	10 < Years	-	-	10.39%	10.24%	10.31%	10.35%
	15 < Years	-	-	10.74%	10.59%	10.67%	10.67%
	20 < Years	-	-	10.99%	10.76%	10.87%	10.78%
	30 < Years	-	-	11.44%	11.01%	11.22%	11.22%

(a) Primary market transactions during the week ending 14/10/2015

The secondary market yield rates of T-bills and T-bonds adjusted downward during the week compared against yield rates of the previous week.



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 14th October 2015)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	844,870.91	844,331.99
Treasury Bonds (a)	3,518,112.80	3,518,112.80
Total	4,362,983.71	4,362,444.79
Government Securities held by Foreigners	309,077.52	321,648.89
Sri Lanka Development Bonds (SLDB)	605,481.11	607,850.78

Outstanding stock of T-bills increased during the week due to new issuances.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	25,000.00	22,000.00
Total Bids Received	64,083.00	45,314.00
Total Bids Accepted	23,980.00	9,756.00
Treasury Bonds		
Amount Offered		
Total Bids Received	No auction held	No auction held
Total Bids Accepted		

T-bill auction was substantially oversubscribed during the week as the preference for government securities continued.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	15,645.47	26,327.04
Repo Transaction (Sales / Purchases)	154,365.51	193,692.02
Treasury Bonds		
Outright Transaction (Sales / Purchases)	105,550.23	111,301.80
Repo Transaction (Sales / Purchases)	738,866.95	791,980.27

Secondary market transactions decreased during the week.

a) Excludes Treasury bonds amounting to Rs.4,397 million issued to CWE in November 2003, Rs. 78,441 million issued to settle dues to CPC in January 2012, Rs. 13,125 million issued to capitalize Sri Lankan Airlines in March 2013.

3.5 Two way Quotes (Treasury Bills) - 16/10/2015

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.88	6.44	99.88	6.23	0.00
1 Month	99.46	6.56	99.48	6.38	0.01
2 Month	98.90	6.69	98.93	6.51	0.03
3 Month	98.32	6.82	98.36	6.66	0.04
4 Month	97.73	6.90	97.78	6.74	0.05
5 Month	97.14	6.98	97.21	6.81	0.07
6 Month	96.52	7.07	96.61	6.90	0.08
7 Month	95.94	7.08	96.02	6.93	0.09
8 Month	95.35	7.10	95.44	6.96	0.09
9 Month	94.74	7.13	94.84	6.99	0.10
10 Month	94.14	7.16	94.26	7.01	0.12
11 Month	93.54	7.17	93.67	7.02	0.14
12 Month	92.93	7.18	93.08	7.03	0.15

3.6 Two way Quotes (Treasury Bonds)- 16/10/2015

Treasury Bond By Series	Maturity Period (Years)	Maturity Date (DD/MM/YY)	Days to Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
08.50%2015A	3	1-Nov-15	16	100.06	6.93	100.06	6.75	0.01
07.25%2016A	6	1-Apr-16	168	100.01	7.22	100.08	7.06	0.07
08.00%2016B	4	1-Jun-16	229	100.33	7.43	100.41	7.30	0.08
06.40%2016A	6	1-Aug-16	290	99.15	7.50	99.27	7.35	0.11
08.00%2016A	5	1-Sep-16	321	100.41	7.49	100.53	7.34	0.13
06.40%2016B	6	1-Oct-16	351	98.88	7.63	99.00	7.49	0.12
08.00%2017A	5	1-Jan-17	443	100.22	7.79	100.39	7.64	0.17
05.80%2017A	6	15-Jan-17	457	97.64	7.81	97.84	7.64	0.19
08.25%2017A	3	1-Mar-17	502	100.34	7.97	100.54	7.82	0.20
08.75%2017A	4	15-May-17	577	101.04	8.03	101.28	7.86	0.24
08.00%2017B	5	15-Jun-17	608	99.67	8.20	99.98	8.00	0.30
05.80%2017B	6	15-Jul-17	638	96.08	8.25	96.32	8.09	0.24
08.50%2018A	15	1-Feb-18	839	99.68	8.65	100.04	8.47	0.36
08.50%2018C	5	1-Apr-18	898	99.33	8.80	99.63	8.67	0.30
08.50%2018D	5	1-Jun-18	959	99.12	8.87	99.48	8.72	0.36
08.50%2018B	15	15-Jul-18	1,003	98.89	8.96	99.24	8.81	0.36
07.50%2018A	15	15-Aug-18	1,034	96.46	8.94	96.76	8.81	0.30
08.75%2018A	4	15-Oct-18	1,095	99.29	9.03	99.66	8.88	0.37
08.00%2018A	6	15-Nov-18	1,126	97.38	8.99	97.66	8.88	0.28
05.65%2019A	8	15-Jan-19	1,187	90.28	9.17	90.56	9.06	0.29
08.50%2019A	10	1-May-19	1,293	97.71	9.27	98.02	9.16	0.31
10.60%2019A	5	1-Jul-19	1,354	104.12	9.25	104.54	9.12	0.42
10.60%2019B	5	15-Sep-19	1,430	103.87	9.39	104.33	9.25	0.46
08.00%2019A	8	1-Nov-19	1,477	95.07	9.49	95.57	9.34	0.50
09.25%2020A	5	1-May-20	1,659	99.22	9.46	99.61	9.35	0.39
08.00%2020A	8	1-Jun-20	1,690	94.02	9.63	94.53	9.48	0.52
06.20%2020A	10	1-Aug-20	1,751	87.56	9.49	88.13	9.32	0.57
09.00%2021A	8	1-May-21	2,024	97.68	9.55	98.61	9.32	0.93
09.45%2021A	7	15-Oct-21	2,191	98.60	9.76	99.12	9.65	0.51
11.00%2021A	7	1-Aug-21	2,116	105.52	9.73	106.03	9.61	0.51
08.00%2022A	10	1-Jan-22	2,269	91.10	9.95	91.68	9.82	0.58
11.20%2022A	9	1-Jul-22	2,450	106.56	9.84	107.12	9.72	0.57
10.00%2022A	8	1-Oct-22	2,542	100.49	9.90	101.02	9.79	0.53
09.00%2023A	10	1-Sep-23	2,877	95.27	9.88	95.81	9.77	0.55
11.20%2023A	9	1-Sep-23	2,877	106.26	10.03	106.79	9.93	0.53
07.00%2023A	20	1-Oct-23	2,907	82.87	10.19	83.42	10.08	0.55
11.40%2024A	10	1-Jan-24	2,999	107.28	10.07	108.07	9.93	0.79
06.00%2024A	10	1-Dec-24	3,334	74.62	10.37	75.47	10.19	0.85
10.25%2025A	10	15-Mar-25	3,438	100.77	10.12	102.54	9.83	1.77
09.00%2025A	12	1-May-25	3,485	91.48	10.43	92.21	10.30	0.73
11.00%2025A	10	1-Aug-25	3,577	104.91	10.19	106.11	10.00	1.20
09.00%2026A	13	1-Feb-26	3,761	90.59	10.51	91.47	10.36	0.88
05.35%2026A	15	1-Mar-26	3,789	68.82	10.31	69.51	10.17	0.69
11.00%2026A	11	1-Jun-26	3,881	102.81	10.55	103.57	10.43	0.76
09.00%2028B	15	1-May-28	4,581	88.03	10.76	88.97	10.61	0.94
09.00%2028A	15	1-Jul-28	4,642	87.93	10.76	88.82	10.62	0.88
11.50%2028A	13	1-Sep-28	4,704	105.72	10.67	106.47	10.57	0.75
13.00%2029A	15	1-Jan-29	4,826	114.71	10.87	116.03	10.70	1.32
13.00%2029B	15	1-May-29	4,946	114.65	10.90	115.85	10.75	1.20
11.00%2030A	15	15-May-30	5,325	101.44	10.80	102.46	10.66	1.02
08.00%2032A	20	1-Jan-32	5,921	79.20	10.73	80.27	10.57	1.07
09.00%2032A	20	1-Oct-32	6,195	84.33	11.07	85.75	10.85	1.42
09.00%2033A	20	1-Jun-33	6,438	84.62	10.99	85.78	10.82	1.16
13.25%2033A	20	1-Jul-33	6,468	116.99	11.04	118.78	10.84	1.79
09.00%2033B	20	1-Nov-33	6,591	83.82	11.09	85.33	10.87	1.51
13.25%2034A	20	1-Jan-34	6,652	116.18	11.15	118.60	10.88	2.42
11.50%2035A	20	15-Mar-35	7,090	102.74	11.15	105.20	10.85	2.46
09.00%2043A	30	1-Jun-43	10,090	81.21	11.21	83.04	10.96	1.83
13.50%2044A	30	1-Jan-44	10,304	118.45	11.31	121.77	10.98	3.32
13.50%2044B	30	1-Jun-44	10,456	118.47	11.31	121.59	11.00	3.12
12.50%2045A	30	1-Mar-45	10,729	106.50	11.71	112.12	11.09	5.62

External Sector

During the year so far (up to 16 October 2015) the rupee depreciated against the US dollar (7.01 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee depreciated against the euro (0.57 per cent), the pound sterling (6.39 per cent), Japanese yen (7.18 per cent) and the Indian rupee (4.90 per cent) during this period.

On cumulative basis, exports earnings during the first seven months of 2015 recorded a decline of 0.9 per cent, year-on-year, to US dollars 6,348 million. The decline was led by agricultural exports and mineral exports which were declined by 7.4 per cent and 56.8 per cent, respectively, during the first seven months of 2015.

On cumulative basis, during the first seven months of 2015, expenditure on imports increased by 1.9 per cent, year-on-year, to US dollars 11,035 million mainly led by consumer goods imports followed by investment goods imports.

Large reduction in import price index compared to lower reduction in export price index resulted in a 8.7 per cent improvement in terms of trade in July 2015 compared to the corresponding month of previous year. The export unit value index declined by 1.1 per cent in July 2015 mainly due to a 48.8 per cent unit value decline recorded in petroleum products exports.

The import unit value index, declined by 9.1 per cent, year-on-year, in July 2015 mainly due to substantial price reduction recorded in intermediate goods, particularly, fuel, wheat and maize and diamond, precious stones and metals.

India, China, UK, Germany and France were the top five sources of tourist arrivals in September 2015, accounting for 50 per cent of total tourist arrivals upto the month of September 2015.

Auction prices for tea in the Colombo auctions declined significantly, year-on-year, in July 2015. Even though average prices declined year-on-year, price of tea remained unchanged at US dollars 2.97 per kg in July 2015 as per June 2015.

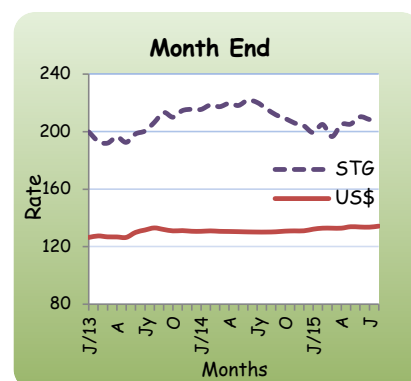
Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2014.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 16 Oct 2015			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	138.56	143.07	140.82	140.54	130.64
STG	213.40	222.00	217.70	215.82	208.97
Yen	1.16	1.21	1.18	1.17	1.23
Euro	156.51	163.51	160.01	158.35	167.52
INR ⁽¹⁾			2.17	2.15	2.13
SDR (As at 15 Oct 2015)			199.48	197.77	194.67
Central Bank purchases and sales(b) (US\$ Mn.)			September 2015	Month Ago	Year Ago
Purchases			0.00	0.00	96.60
Sales			523.80	447.25	173.90



	Week Ending 16 Oct 2015	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	47.57	53.13	39.56
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	141.10	141.70	131.00
3 Months	142.53	142.72	131.67
Average Daily Interbank Forward Volume (US\$ mn)	41.15	25.91	36.36
Outstanding Forward Volume (US\$ mn) (As at 15 Oct 2015)	1,495.60	1,368.51	1,211.02

(a) Commercial Bank Avg. Middle Rate (prevailing at 9.30a.m.)

(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

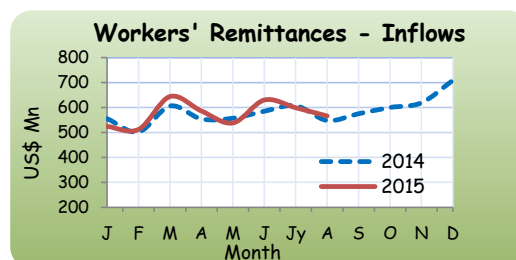
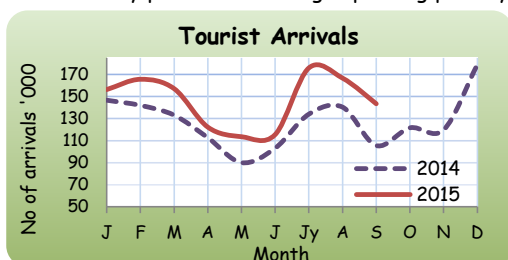
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

4.2 Tourism & Workers' Remittances

Item		2014 Sep (a)	2015 Sep (b)(c)	2014 Jan-Sep (a)	2015(b) Jan-Sep (c)	% Change
Tourist Arrivals	Number	105,535	143,374	1,107,178	1,315,839	18.8
Earnings from Tourism	US\$ Mn.	168.0	228.2	1,762.5	2,094.70	18.8
	Rs.bn.	21.9	31.7	230.0	280.1	21.8
		2014 Aug	2015 Aug (b)	2014 Jan-Aug	2015 Jan-Aug(a)	% Change
Workers' Remittances (Inflows)	US\$ Mn.	548.1	566	4,514.7	4,598.0	1.8
	Rs. bn.	71.4	75.8	589.1	612.3	3.9

(a) Revised

(b) Provisional (c) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2015



4.4 Official Reserve Assets as at 30st September 2015^(a)

Official Reserve Assets (USD Mn)	
(1) Foreign currency reserves	5,922.1
(2) Reserve position in the IMF	67.2
(3) SDRs	9.1
(4) Gold	798.3
(5) Other reserve assets	1.0

(a) Provisional

4.3 International Reserves & Foreign Currency Liquidity as at 31st August 2015 ^(a)

Official Reserve Assets (USD mn)					
Official Reserve Assets ^(b)				6,457.72	
(1) Foreign currency reserves				5,572.66	
(a) Securities				2,789.53	
(b) Total currency and deposits with				2,783.13	
(i) other national central banks, BIS				2,408.11	
(ii) banks headquartered inside the reporting country of which located abroad				1.03	
(iii) banks headquartered outside the reporting country				373.99	
(2) Reserve position in the IMF				67.18	
(3) SDRs				9.10	
(4) Gold				807.76	
(5) Other reserve assets				1.02	
Predetermined Short-Term Net Drains on Foreign Currency Assets ^(c)					
Item		Total	Maturity breakdown (residual maturity)		
			Up to 1 month	More than 1 and up to 3 months	More than 3 months and up to 1 year
1. Foreign currency loans, securities, and deposits					
outflows (-)	Principal	-3,359.10	-417.20	-243.41	-2,698.49
	Interest	-1,097.65	-70.19	-122.14	-905.32
inflows (+)	Principal				
	Interest				
2. Aggregate short and long positions in forwards and futures in foreign currencies vis-à-vis the domestic currency (including the forward leg of currency swaps)					
(a) Short positions (-) ^(d)		-3,389.58	-571.58	-539.00	-2,279.00
(b) Long positions (+)					
3. Other (specify)		-0.94	-0.94		
inflows related to reverse repos (+)					
other accounts payable (-)		-0.94	-0.94		

(a) Provisional

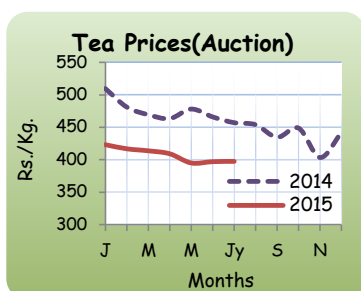
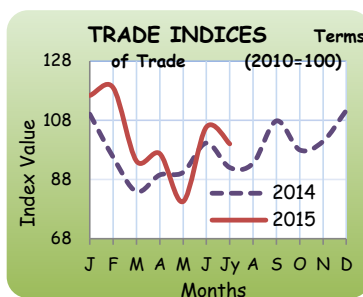
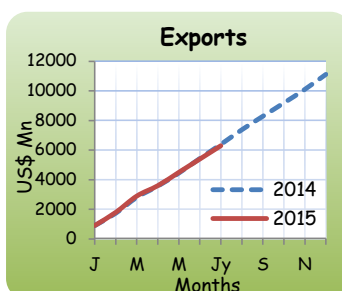
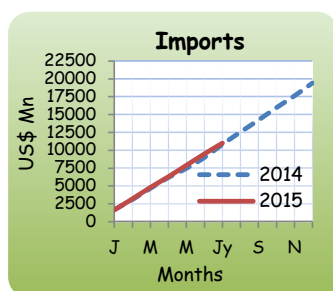
(b) By end August 2015, the total foreign assets were equivalent to 5.1 months of imports and gross official reserves were equivalent to 4.0 months of imports

(c) This mainly includes only the predetermined outflows

(d) A major share of SWAP outstanding will be rolled over. This mainly includes SWAP arrangements with state banks which mobilised long-term foreign finance from international bond issuances

4.4 External Trade

Item	US\$ Bn			Rs Bn		
	Jan-Jul 2015	Jan-Jul 2014	% Change	Jan-Jul 2015	Jan-Jul 2014	% Change
Exports	6.3	6.4	-0.9	844.4	836.3	1.0
Agricultural	1.5	1.6	-7.4	198.3	210.0	-5.6
Industrial	4.8	4.7	1.8	642.2	619.0	3.7
Food, Beverages and Tobacco	0.2	0.2	-6.4	20.7	21.7	-4.6
Textiles and Apparel	2.8	2.8	-0.3	374.9	369.1	1.6
Petroleum Products	0.3	0.2	24.3	35.1	27.7	26.6
Leather, Rubber etc	0.6	0.6	-6.9	73.7	77.7	-5.2
Other	1.0	0.9	10.1	137.7	122.7	12.2
Mineral	0.0	0.0	-56.8	2.7	6.2	-56.0
Other	0.0	0.0	15.6	1.2	1.0	17.8
Imports	11.0	10.8	1.9	1,467.8	1,413.7	3.8
Consumer Goods	2.7	2.0	38.8	362.1	255.9	41.5
Intermediate Goods	5.7	6.7	-15.3	752.7	871.7	-13.6
Investment Goods	2.6	2.2	21.0	351.5	285.2	23.3
Other	0.0	0.0	48.0	1.5	1.0	50.8
Trade Balance	-4.7	-4.4	6.0	-623.4	-577.5	8.0



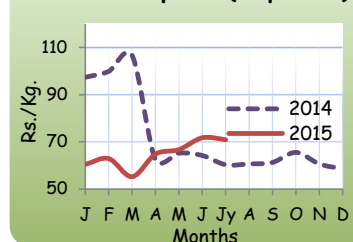
4.5 Trade Indices (2010= 100) (a)

Item	2015 July (b)	Month Ago	Year Ago
Total Exports			
Value	129.7	131.4	133.1
Quantity	134.5	124.7	136.5
Unit Value	96.4	105.3	97.6
Total Imports			
Value	137.3	146.2	165.2
Quantity	142.3	146.7	155.7
Unit Value	96.5	99.6	106.1
Terms of Trade	100.0	105.7	92.0

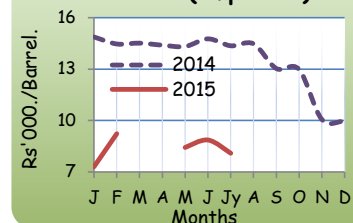
(a) In US\$ Terms

(b) Provisional

Rice prices(Imported)



Crude Oil (Imported)



4.6 International Commodity Prices

Item	July 2015	July 2014	% Change	July 2015	July 2014	% Change
Colombo Auction Price	US\$ / Kg			Rs / Kg		
Tea Prices	2.97	3.51	-15.3	397.53	457.13	-13.0
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	530.34	463.05	14.5	70,899.61	60,308.39	17.6
White Sugar	381.93	508.81	-24.9	51,058.51	66,267.87	-23.0
Wheat	282.28	322.96	-12.6	37,736.95	42,063.02	-10.3
	US\$ / Barrel			Rs / Barrel		
Crude Oil	60.49	110.30	-45.2	8,086.61	14,365.34	-43.7